



**U.S. Department of  
Transportation**

Office of the Secretary  
of Transportation

GENERAL COUNSEL

DEPT. OF TRANSPORTATION  
400 Seventh St. S.W.  
Washington, D.C. 20590

FEB 17 2000

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73212

AST-99-6410-44

Ms. Colleen S. Peterson, CTC, DS  
Owner  
Port of Call Travel  
724/834 Pellis Rd.  
Greensburg, PA 15601

Dear Ms. Peterson:

Secretary Slater has asked me to respond to your letter of January 31, 2000, in support of the formal complaint that the American Society of Travel Agents (ASTA) has recently filed with this Department against a number of airlines (Docket OST-99-6410). ASTA alleges that in cutting the commissions that they pay travel agents, the airlines are engaging in unfair practices and unfair methods of competition in violation of 49 U.S.C. §41712.

The airlines filed their responses to ASTA's complaint on December 10. It is now up to the Enforcement Office to review the complaint and responses and determine whether, under our statute, the complaint should be pursued or dismissed. Under these circumstances, it would be inappropriate for me to comment on the substance of your letter. You can track the pleadings as well as the Department's actions through our Dockets web site at <http://dms.dot.gov>. Clicking on "search" and then typing "6410" in the space for the docket number and again clicking on "search" will bring up a list of all documents in the docket. Each item can be opened.

The Department's *ex parte* rules, 14 CFR Part 300, require that I place your letter and a copy of this reply in Docket OST-99-6410. Please be assured that ASTA's complaint will receive careful and thorough consideration.

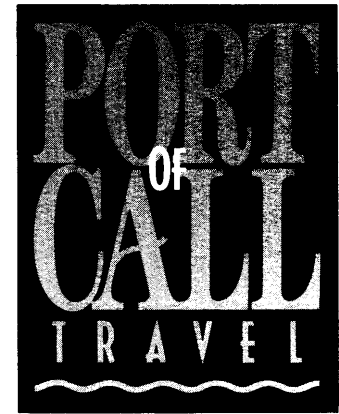
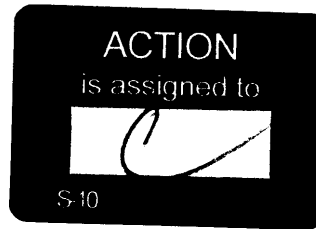
Sincerely,

Samuel Podberesky  
Assistant General counsel for  
Aviation Enforcement and Proceedings

00 FEB 17 12:12  
DEPT. OF TRANSPORTATION  
Docket No.

January 31, 2000

The Honorable Rodney E Slater  
United States Secretary of Transportation  
400 Seventh Street, NW  
Washington DC 20590



Dear Mr. Secretary;

724/834-3883

516 Pellis Road

Simply put, I am asking you to save the travel agency business. Travel agents, who provide consumers with the last, best hope for neutral, professional information and advise about travel service options, are being forced out of business by unfair airline competition.

As you know, my association, the American Society of Travel Agents ("ASTA") has filed a complaint against the major airlines charging them with unfair practices and unfair methods of competition in air transportation and the sale of air transportation, in violation of 49 U.S. C. 41712. That complaint specifies, in detail, how the airlines are destroying the travel agency business by setting agents' compensation below the cost of doing business while, at the same time, driving up agents' costs with unnecessary and anti-competitive requirements.

If the airlines succeed in eliminating travel agents from the marketplace, it will be much harder for the public to learn about all of the fare and service options available to them. On the whole, this will increase the likelihood that consumers will spend more for air travel than they otherwise would.

ASTA has asked you to order the airlines to stop their unfair practices and unfair methods of competition. We do not request this relief lightly. But we know also that not granting the relief we seek will have grave consequence. At issue is whether travel agencies, which have served the public necessity and convenience since the dawn of commercial aviation, will survive in anything like their present numbers.

Through three previous reductions in compensation rates, travel agents have not before asked you to use your statutory powers to intervene directly. Now we must ask you to decide and tell us, up or down, whether there is a place for travel agencies in the future of air transportation.

Sincerely,

Colleen S Peterson, CTC, DS  
Owner